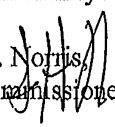




STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF MENTAL RETARDATION SERVICES
ADMINISTRATIVE SERVICES
ANDREW JACKSON BUILDING
500 DEADERICK STREET, 15TH FLOOR
NASHVILLE, TENNESSEE 37243

MEMORANDUM

To: DMRS Community Providers

From: Stephen H. Norris, 
Deputy Commissioner

Re: Billing and Payment Schedule for July 2008

Date: June 10, 2008

The technical solution we had hoped for to allow semi monthly payments will not be in place on July 1, 2008. For the time being, the billing cycle will remain as it is now with Provider Claims Processing (PCP) opening around the 4th of the month and closing a week later.

To accomplish the semi monthly payment, we will use the billing information input by providers and calculate an estimated payment for one half of the billed amount. With the payment for the **next month's billing**, the estimated amount will be collected. Estimated payments will cease when new technology becomes available or an agency gives notice to cease services or the agency is no longer viable. **No detailed remittance advice outlining services or recipients will be available for the estimated payment.**

Exempt from the estimated payment calculations will be services that are not routine in delivery. These ineligible services include ancillary (establishment, equipment, modifications, etc.) and dental services. Reimbursement for these will occur as they do now, around the 10th of the next month after billing.

This process will become effective with the June services billing done in July. Payment for one half of June's eligible services should be expected around July 25. Then on August 10th, the full payment for June services. Around August 25, you will receive one half of the July eligible services. On September 10th, the payment for July services will be reduced by the estimated payment made for June services. Then around September 25th one half the August eligible billing will be paid and on October 10, the September services payment will be reduced by the July estimated payment. This same process will be repeated until a new system is available. An anticipated schedule through January 2009 is attached.

Scheduled loan recoveries will begin with the full July services payment on September 10, 2008.

I appreciate your patience as we work through our technical issues.

Anticipated Calendar of Events – dates approximate

Around July 3rd	Bill for June services in PCP.
July 10, 2008	Receive payment for 100% May services billing.
July 25, 2008	Receive ½ of estimated June services payment (based on eligible billing in PCP).
Around August 4 th	Bill for July services in PCP.
August 10, 2008	Receive payment for 100% of June services billing.
August 25, 2008	Receive ½ of estimated July services payment (based on eligible billing in PCP).
Around September 4 th	Bill for August services in PCP
September 10, 2008	Receive payment for July services less the ½ estimated June payment received on July 25.
September 25, 2008	Receive ½ of estimated August services payment (based on eligible billing in PCP).
Around October 4 th	Bill September services in PCP.
October 10, 2008	Receive payment for August services less the ½ estimated July payment received on August 25.
October 25, 2008	Receive ½ of estimated September services payment (based on eligible billing in PCP).
Around November 4 th	Bill October services in PCP.
November 10, 2008	Receive payment for September services less the ½ estimated August payment received on September 25.
November 25, 2008	Receive ½ estimated October services payment (based on eligible billing in PCP).
Around December 4 th	Bill November services in PCP.
December 10, 2008	Receive payment for October services less the ½ estimated September payment received on October 25.
December 25, 2008	Receive ½ estimated November services payment (based on eligible billing in PCP).
Around January 4 th	Bill December services in PCP.
January 10, 2009	Receive payment for November services less the ½ estimated October payment received on October 25.
January 25, 2009	Receive ½ estimated December services payment (based on eligible billing in PCP).